



บริษัท สหอุตสาหกรรมน้ำมันปาล์ม จำกัด (มหาชน)

United Palm Oil Industry Public Company Limited

CORPORATE HEADQUARTERS

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**Subject: To submit the Interim Management Discussion and Analysis
For the three-month period ended September 30, 2021**

To: Directors and Managers of the Stock Exchange of Thailand

United Palm Oil Industry Public Company Limited (UPOIC) and its subsidiaries would like to inform the operating result for the three-month period ended September 30, 2021 which had net profit for the period Baht 72.8 million, compared to the same period of 2020 with net profit at Baht 28.5 million, profit increased Baht 44.3 million or 155.4%.

The Company would like to submit the interim management discussion and analysis for the three-month period ended September 30, 2021.

Please be kindly informed.

Sincerely yours,

(Miss Anchalee Suebchantasiri)
Managing Director

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A Subsidiary of Lam Soon (Thailand) Public Company Limited

MANAGEMENT DISCUSSION AND ANALYSIS

For the three-month period ended September 30, 2021

Financial Performance and Analysis Explanation

1. Revenue

Total sales of the Group in Q3/2021 increased by Baht 85.6 million or 42.8% from the same period of 2020. This was mainly due to sales price of CPO and CPKO increasing by 75.5% and 74.5%, respectively.

2. Cost of Sales and Expenses

- Cost of sales in Q3/2021 was Baht 206.3 million which higher than the same period of prior year Baht 64.3 million or 45.3% caused by average FFB cost raised by 79.8%. However, profit from change in fair value of inventory impacted cost of sales decreased by 117.9%.
- Selling expenses slightly increased from goods transportation due to higher diesel price during the period.
- Administrative expenses increased from allowance for impairment loss on land and net book value of oil palm plantation development of ALRO designating land plot No. 603 in Krabi Noi estate by Baht 13.5 million.
- Gain from change in fair value of biological assets Baht 1.1 million (Q3/2020: Loss Baht 6.4 million)

3. Consolidated Profit

Sales revenue increased at a higher rate when compared with cost of sales increased in Q3/2021, the Group therefore recorded higher gross profit by Baht 21.3 million or 36.8%. Furthermore, the Company realized an increase in share profit from investment in Joint Venture and recorded higher gain from change in fair value of biological assets from adopted TAS 41 Agriculture and Accounting Treatment Guidance for Recognition and Measurement of Bearer Plant. Moreover, administrative expenses increased as mentioned. As a consequence, the Group recorded an increase in net profit after tax of Baht 44.3 million or 155.4% (Q3/2020: net profit after tax of Baht 28.5 million).